

GOVERNMENT OF TELANGANA
ABSTRACT

MA & UD Dept. - Implementation of Water Supply Projects on a Modified Annuity Mode of Contract basis in 35 ULBs of Telangana - Mission Bhagiratha (Urban) – Approval of Tender Document and Administrative Sanction for the Project – Accorded- Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (C) DEPARTMENT

G.O.Ms.No.252.

Date:14-10-2016

Read the following:

1. From the ENC(PH), Hyd. Lr.No.05/T1/TDWSP/2014-15, dt.1.8.2016, 11.3.2016 , 5.5.2016 and 30.6.2016.
2. Proceedings of the 26th Meeting of the Council of Ministers held at 2.00 PM on Friday the 7th October, 2016 in Council Hall, Secretariat received through GA(Cabinet) Dept. U.O.No.394/2016, Dt.7.10.2016.

ORDER:

The Engineer-in-Chief (PH), Hyderabad vide reference 1st read above has reported that the Government of Telangana launched flag ship program for providing drinking water at the door steps of households by name 'Intintiki Nalla' under 'Mission Bhageeratha' for the Urban & Rural areas of Telangana by instituting the Telangana Drinking Water Supply Corporation. Under the mission, the policy of the Government is to provide drinking water in all the rural and urban areas by integrating the existing water supply systems in the rural and urban areas with the Grid proposed to be developed by TDWS Corporation. The proposals were submitted to Government for taking up Water Supply Improvement Schemes in 35 ULBs including Ten AMRUT towns and for integrating with the upcoming state-wide Drinking Water Grid under 'Mission Bhageeratha' with Modified Annuity Mode of Contract method and for this purpose, M/s. LEA Associates South Asia Private Limited, the existing Transaction Advisor to HMDA has prepared Tender document.

2. The Engineer-in-Chief (PH), further reported that 35 ULBs out of 68 ULBs in Telangana State are proposed to be covered under Mission Bhagiratha-Urban. Out of 35 ULBs 10 ULBs are covered under AMRUT for which 50% grant will be received from Government of India. Rest of them are non-AMRUT towns. The brief scope of the project is as follows:

- (a) Integration of ULBs Water Supply System with Rural Water Supply Grid (TDWSC).
- (b) Water Supply to extended / uncovered areas.
- (c) Refurbishment of the existing water supply infrastructure in the ULBs (with additional storage reservoirs and refurbishment of pipe line).
- (d) Operation and Maintenance period for new water supply components is 7 years including defect liability period from the date of Commercial Operations (COD) of the respective ULBs which is two years after entrustment of the work to the agency. This will also satisfy the Government of India's AMRUT guidelines.
- (e) As the condition of the existing water supply system is not known to the agency, it is proposed that the agency for the purpose of maintenance of water supply will provide 2 supervisors for each ULB and the power charges, consumables, repairs and wages for the manpower have to be borne by the respective ULBs.

PROJECT COST:

Description	Rs. in Crores
Total 7 years Annuity Payment for 3 Package for 35 ULBs	4152-00
Land Acquisition Charges (LS amount)	51-00
Charges for Shifting of Utilities (LS amount)	25-00
Charges for restoration of Road Cutting of NH, R&B roads and railway crossings (LS amount)	175-00
Total	4403-00

3. The Engineer-in-Chief (PH), Hyderabad has requested the Government to approve and issue orders on the following:

- (i) The Lump Sum- Modified Annuity Contract document which is a stand-alone document for this project which is a blend of LS Contract with Annuity payments.
- (ii) Administrative Sanction for an amount of Rs.4403 Crores for the above work.
- (iii)To invite Tenders in 3 packages each costing as under:

Packages	Name of the ULB		Approx Value (Rs. in Crores)
Package-1 AMRUT ULBs	1. Karimnagar Corporation 2. Ramagundam Corporation 3. Khammam Corporation 4. Mahabubnagar 5. Miryalguda 6. Nalgonda 7. Suryapet		777.68
Package-2 AMRUT ULBs	1. Adilabad 2. Warangal Corporation 3. Nizamabad Corporation		709.50
Package-3 Other ULBs	1. Jagityal 2. Korutla 3. Metpally 4. Sircilla 5. Palvoncha 6. Sathupally 7. Yellandu 8. Bellampally 9. Bhainsa 10. Kagaznagar 11. Manchiryal 12. Mandamarry 13. Nirmal	14. Jangaon 15. Gadwal 16. Narayanpet 17. Wanaparthly 18. Bhongir 19. Tandur 20. Viakarabad 21. Sadasivpet 22. Sangareddy 23. Zaheerabad 24. Bhodan 25. Kamareddy	809.20

Financial Details:

The financial details are as under:

	Rs. in Crores
1. Total Estimated Cost (DPR) of 3 Packages	2296-00
2. Total Project Cost of 3 Packages including Inflation, IDC and IRR from investors	2707-00
3. Total 7 years Annuity Payment for 3 Packages	4152-00

4. The Telangana Urban Finance Infrastructure Development Corporation (TUFIDC) is the nodal agency for AMRUT for release of funds, all the Annuity payments for the proposed project have to be made through TUFIDC.

5. After careful examination of the proposal, the Government hereby accord sanction of the total project cost of Rs.4403 Crores within which Rs.3706 Crores as loan and Rs.697 Crores as Government of India's subsidy as grant to TUFIDC for payment of installments of Annuity and also approve the Tender Document (Copy enclosed) for implementation of Water Supply Projects on Lump sum Contract on Modified Annuity Mode of Contract in 35 ULBs of Telangana and finalization of modalities of contract/ procurement.

6. The Commissioner & Director of Municipal Administration, Hyderabad is requested to obtain necessary Council Resolutions from all 35 ULBs for calling the bids for execution of works on Modified Annuity Mode of Contract and in anticipation of the resolutions, the Engineer-in-Chief (PH), Hyderabad may proceed with the tender process.

7. The Engineer-in-Chief (PH), Hyderabad / Managing Director, TUFIDC, Hyderabad and Commissioner & Director of Municipal Administration, Hyderabad shall take further action, accordingly.

8. This order issues with the concurrence of Finance (EBS.VIII) Department vide their U.O.No.263/228/16/Fin.(EBS.VIII), dt.2.8.2016

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

**M.G. GOPAL
SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To

The Engineer-in-Chief (PH), Hyderabad (w.e).

The Managing Director, TUFIDC, Hyderabad.

The Commissioner & Director of Municipal Administration, Hyderabad.

Copy to:

The Pay and Accounts Officer, Hyderabad.

The Accountant General, Telangana State, Hyderabad.

The General Administration (Cabinet) Department.

The Finance (EBS.VIII) Department.

The OSD to Minister (MA&UD)

The P.S. to Special Chief Secretary to Government, MA&UD Department.

Sc/Sf.

// FORWARDED :: BY ORDER //

SECTION OFFICER